



## Illinois Department of Corrections

### Administrative Directive

Number:

**02.40.101**

Title:

**Locally Held Funds - General Provisions**

Effective:

**10/1/2020**

**Authorized by:**

*[Original Authorized Copy on File]*

**Rob Jeffreys**  
Acting Director

**Supersedes:**

02.40.101 effective 3/1/2011

**Authority:**

730 ILCS 5/3-2-2  
20 IAC 205  
Statewide Accounting Management System (SAMS)

**Related ACA Standards:**

5-ACI-1B-07-12, 5-ACI-1B-16, 5-ACI-1B-20-24

**Referenced Policies:**

**Referenced Forms:**

C-17 – Receipts and Disbursements for Locally Held Funds

#### **I. POLICY**

The Department shall maintain funds held locally in compliance with the Illinois Compiled Statutes, other State Agency regulations, and the Department Rules.

#### **II. PROCEDURE**

##### **A. Purpose**

The purpose of this directive is to define terms that are used throughout this subsection and to provide guidelines for the separation of duties.

##### **B. Applicability**

This directive is applicable to the Office of Fiscal Services and all facilities within the Department.

##### **C. Facility Reviews**

A facility review of this directive shall be conducted at least annually.

##### **D. Designees**

Individuals specified in this directive may delegate stated responsibilities to another person or persons unless otherwise directed.

##### **E. Definitions**

Cash – currency, coins, cashier's checks, official bank checks, money orders, certified checks, and paychecks.

Dormant – trust fund accounts that have been unclaimed for a period of one year after an offender's separation from the Department by death, discharge, or unauthorized absence.

Trust Fund Account – an individual account maintained for each offender to record all trust fund transactions.

##### **F. Separation Of Duties**

1. The Business Administrator shall:

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- a. Ensure locally held funds are reconciled by an individual who has no authority to sign checks.
  - b. Designate an individual to write checks and ensure this individual does not sign checks or mail prepared checks.
- 2. The Cashier:
  - a. Shall prepare receipts for and deposits to locally held fund accounts;
  - b. May process outside purchase requests; and
  - c. May assist in preparation of offender payroll.
- 3. The Trust Fund Officer:
  - a. Shall post receipts and disbursements to trust fund accounts, regardless of type;
  - b. May print checks;
  - c. Shall not have check signing authority; and
  - d. May reconcile the banking accounts.
- 4. The Imprest Fund Coordinator shall maintain the imprest fund (cash).
- 5. The Travel Coordinator shall:
  - a. Receive travel advance forms;
  - b. Determine and verify requests for cash; and
  - c. Receive and verify all travel vouchers.

**G. Requirements**

- 1. The Chief Administrative Officer shall ensure there is adequate separation of duties for handling locally held funds.
  - a. The separation of duties for staff as outlined in this directive shall be required unless staff size is insufficient.
  - b. Any exceptions to the separation of duties as outlined in this directive shall be stated in writing by the Chief Administrative Officer and approved by the Chief Financial Officer.
- 2. The Central Office Fiscal Accounting Compliance Section shall complete a Receipts and Disbursements for Locally Held Funds, C-17, for each locally held fund maintained, including the Offender's Trust Fund, in accordance with the SAMS Manual.